GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:938
ANSWERED ON:24.11.2000
RESTRUCTURING OF CORPORATE DEBT
RAMCHANDRA BAINDA

Will the Minister of FINANCE be pleased to state:

(a) whether RBI have constituted a Standing Coordination Committee of leading Financial Institutions and Banks to remove differences among lenders on issues of corporate debt restructuring;

(b) if so, the terms of reference of the above committee; and

(c) the time by when this committee is likely to submit its report?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH):

(a) Yes, Sir. Reserve Bank of India (RBI) has reported that a Standing Co-ordination Committee (SCC} of Select Financial Institutions and Banks was set up in September, 1999 under the aegis of IDBI with Chairman and Managing Director of IDBI as the convenor of the Committee.

(b) and (c) SCC meets on ongoing basis and discusses the following issues in their meetings:

Unresolved issues relating to projects assisted jointly by FIs and Banks;

Matter of concerns of FIs and Banks which needs to be taken up with RBI, Government of India and other statutory authorities.

Any other matter of common interest.No report is required to be submitted by the SCC.